



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Chief Administrative Officer
Director of Mental Health

At its meeting held August 19, 2003, the Board took the following action:

56-A

Supervisor Antonovich made the following statement:

“The Auditor-Controller recently completed a Fiscal Review of the Department of Mental Health (DMH). The review focused on evaluating DMH’s budgetary performance, internal controls, and compliance with County fiscal policies and procedures. The review uncovered significant deficiencies in the bookkeeping methods used by DMH staff as well as a lack of controls in place to provide accurate financial figures for year-end closing for outstanding debts. In addition, DMH was not consistent in complying with County requirements for basic financial computations such as accounts payable and revenue accruals.

“The Auditor-Controller also noted that DMH experienced delays in paying contractors. DMH provides reimbursement for agencies that contract with the County to provide mental health services to adults and children throughout the County.

“The delay in reimbursement to providers has been an ongoing complaint by many agencies that contract with DMH. The deficiencies identified in the audit must be reviewed and corrected immediately.”

(Continued on Page 2)

56-A (Continued)

Therefore, on motion of Supervisor Antonovich, seconded by Supervisor Yaroslavsky, unanimously carried (Supervisor Molina being absent), the Director of Mental Health and the Chief Administrative Officer were instructed to report back within 14 days with a corrective action plan and timeline for implementation of the recommendations made in the Fiscal Review of the Department of Mental Health conducted by the Auditor-Controller.

8081903-56-A

Copies distributed:

Each Supervisor

County Counsel